

W. R. Simpson Esq.
sole funding
CANADA

CO-OPERATIVE SUPPLY ASSOCIATION,
(LIMITED,)

ALBERT BUILDINGS, VICTORIA SQUARE, MONTREAL.

CAPITAL, \$180,000,

IN 30,000 SHARES OF \$5 EACH.

PRESIDENT:

HON. JOHN HAMILTON, Prest. Merchants Bank of Canada, Montreal.

VICE-PRESIDENT:

**J. S. HUNTER, Esq., N.P., Director London & Lancashire Life Insurance Co., and the
Fire Insurance Association of London, Eng., Limited, Montreal.**

DIRECTORS:

**LT.-COL. DENNIS, Deputy Minister of the
Interior, Ottawa.**

WM. P. LOCKWOOD, Esq., Montreal.

**GEORGE R. GRANT, Esq., Administrator
to Sir W. E. Logan's Estate, Montreal.**

**HENRY YATES, Esq., Engineer, M.I.M.E.
Brantford and Montreal.**

**T. P. FRENCH, Esq., Post Office Inspector,
Ottawa.**

**LT.-COL. LAMONTAGNE, Brigade Major
Montreal.**

Bankers: THE MOLSONS BANK.

Solicitors: MESSRS. DAVIDSON & CROSS.

General Manager: W. P. LOCKWOOD.

Treasurer: GEORGE R. GRANT.

Secretary: GEORGE DURNFORD.

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ABRIDGED PROSPECTUS.

LIABILITY—The Company is established under "The Canada Joint Stock Company Act, 1877." The liability is limited to five dollars per share, under sections 47-48.

SHAREHOLDERS AND MEMBERS—The profits will be divided amongst the shareholders. All shareholders are entitled to vote at the Company's meetings, purchase at the stores, and elect one member for every ten shares they hold in the Company. Member's tickets, entitling the holder to purchase at the stores, will be issued on the introduction of a shareholder, subject to the payment of one dollar a year; Shareholders only participate in the profits or vote at meetings. Tickets will be forwarded to all Shareholders; they must be shown at the stores when required, and the number quoted in orders by letter.

OBJECTS OF THE COMPANY.—The Company is formed for the purpose of establishing *Co-operative Stores in Canada* on the same principle as the Army and Navy and the Civil Service Stores, now working so successfully in London, England, *to supply members with all articles for consumption and general use of the purest and best quality at the lowest price, and divide the profits amongst the Shareholders.* The stock will be procured from the most celebrated producers. In order to insure pure goods a competent Analyst will be engaged to examine and test their quality.

BUSINESS OF THE COMPANY.—Goods will be delivered free in Montreal, and carriage paid to Quebec, Ottawa, Kingston and Toronto. In the Wholesale and Forwarding Department, Goods will be specially prepared and packed for transit. Reduced rates or allowances will be made for carriage of goods to distant places. All goods will be *sold for cash*, and the prices charged will accord with those of the *principal London Co-operative Stores.*

CATALOGUES will be published at intervals containing lists of goods in each department, with prices attached and full instructions respecting ordering and delivery. These catalogues will be delivered free to members, and to the public, on application to the Secretary. *Special arrangements will be made for the exhibition and sale of goods manufactured in Canada.* Manufacturers and Agents, to insure quotations in the Company's catalogue, should forward price lists and other particulars.

ADVERTISEMENTS may be inserted in the Catalogues by Merchants and others, who will offer to members of the Society a special discount for cash payments on the plan so largely adopted in England.

DEPARTMENTS will be opened on or about the 1st June, for the sale of Groceries Provisions, Dry Goods and a selection of articles in general use. The following will be added soon as possible:—Drugs, Patent Medicines, Perfumery and Toilet Requisites, Wines and Spirits, Tobacco and Cigars, Haberdashery, Clothing and Woollen Goods, Hats and Caps, Boots and Shoes, Travelling Requisites, Portmanteaus, Umbrellas, Rugs, Jewellery, Electro Plate, Cutlery, Stationery and Fancy Goods, Games, Lawn Tennis, &c., China and Glass, Pianos, Furniture and Carpets, Bedding, Turnery and Mats, Ironmongery, Agricultural and Gardening Implements. **WRITING ROOMS, LAVATORIES, etc.,** available for members, will be provided at the stores.

ARRANGEMENTS will be made with Merchants to supply at reduced prices such articles as Coals, Firewood, etc., which cannot be kept at the stores. Every article ordered by members, will be procured for them at the lowest possible price.

STORES.—The extent of business done at the Co-operative stores, together with their great financial success, has given them a prominent position amongst the "*sights and curiosities*" of London. Few places are visited with more pleasure and satisfaction; they are held in great favor by all classes, and receive the highest patronage. The most popular stores are those conducted for the benefit of members of the **ARMY and NAVY, the CIVIL SERVICE** and their friends. They are under the direction of gentlemen holding high positions. Canadian families who have visited London have seldom failed to avail themselves of the advantages offered by purchasing at the stores,—to them reference may be safely made. The great saving in the cost of goods, and the uniformly high quality of the articles sold, has from year to year increased their popularity. In 1880, the sales of Co-operatives stores in England, amounted to about **ONE HUNDRED AND TWENTY MILLIONS OF DOLLARS.**

PAMPHLETS, PROSPECTUSES and Forms of application for shares may be had on application to the Secretary.

ALBERT BUILDINGS,

Victoria Square,

Montreal.

APRIL 20th, 1881.

CO-OPERATIVE SOCIETY.

The following letters explaining the principles of co-operative distribution, were published during the months of March and April, 1881, in THE GAZETTE, Montreal:—

TO THE EDITOR OF THE GAZETTE.

SIR,—So little is known respecting the Co-operative Societies established in England and Scotland that some account of their origin, progress and objects cannot fail to interest a large portion of your readers; if you consider the matter of sufficient importance I shall be glad to give you such information as I can gather from reliable sources.

These societies are conducted on what is known as the "Rochdale plan" and the "Civil Service plan," the rule of both is to sell all goods for cash. In 1878, the last year for which the returns are completed, 1,181 societies, conducted on the Rochdale plan, made returns to the Government, as required by the Industrial and Provident Societies' Act. They had, at the end of that year, 650,700 members; a share capital of £5,728,827; a loan capital (dividends left on deposit at 5 per cent interest) of £872,686; they received for goods sold during the year £21,128,318; their expenses, including 5 per cent interest on share and loan capital, were £1,485,291, the net profit realized was £1,817,943; their total assets were £10,139,567. In all these 1,181 societies, capital received no more than 5 per cent interest; the profit on the year's trading, £1,817,943, was divided amongst the members in proportion to the amount they paid for goods bought at the store; one member might hold ten shares representing a share capital of £10, he receives 5 per cent interest or two shillings; he buys goods to the amount of £50 and receives profit, say £5; another member holds one share of £1, he receives 5 per cent interest or one shilling, but he purchases at the store £100 and receives as (dividend) profit or money saved £10.

The shares are £1 each, and members receive 5 per cent interest on their share capital and on such dividends as they allow to accumulate. The share capital and loan capital may be withdrawn at any time.

The object of these societies is to raise money to purchase the best goods at wholesale

prices, to save on the cost and distribution of goods, to give accurate description, weight and quantity to sell at fair prices, and give to every member the exact proportion of savings he has by his purchases contributed to make for the Society. This is the first part of their programme; it extends much further. Their aim is to elevate their class, to inculcate habits of thrift, temperance and independence, release their members from debt and induce them to accumulate their savings until they reach such an amount as enables them to undertake business operations which otherwise would be beyond their reach. *Saving was difficult until the happy idea of saving by what is actually expended was reduced to practice.* The men of Rochdale may well be proud of being the "pioneers in forming societies which in seven years have accumulated, saved and hold in realizable assets more than fifty millions of dollars for their 650,700 members. Besides this amount invested in stock, buildings, industrial and other societies, large sums have been withdrawn and expended in building houses, in freeing members from debt and adding largely to the domestic improvement and comfort of thousands of homes. In Rochdale whole streets of improved houses have been built by co-operative savings.

The other class of stores on the civil service plan are mostly established in London. Their shares are transferable, but not withdrawable. They give the purchaser the best goods the market affords at the lowest price, allowing a fair margin for expenses and a small advance for profit, which goes to the shareholders.

They publish regular balance sheets showing the business and amount of profit. Although the advance on the sales is small, it is sufficient to pay large dividends on the capital employed.

The net profit, after paying working expenses, interest on deposits, &c., in the Army and Navy Co-operative Society, is about 8 cents in the pound; on thin sales their £1 shares sell at £3 15s. They sold goods to the amount of about ten million dollars in 1880. Any increase of profit is met by a reduction on the price of their goods.

The Civil Service Co-Operative Society's shares, on which £2 is paid, sell at £77 to £100.

The Civil Service Supply Association (whose balance sheet to June 30th, 1880, may be seen at the Company's office), sold goods to the amount of seven millions of dollars in 1880. Their shares, on which ten shillings is paid, sell at £55. I purpose forwarding you a brief history of the Rochdale Society, the Civil Service Supply Association and some others.

I am, sir,

Yours respectfully,

WILLIAM P. LOCKWOOD.

184 St. James street,

Montreal, 24th March, 1881.

CO-OPERATIVE SOCIETIES.

TO THE EDITOR OF THE GAZETTE.

Sir,—The establishment of the "Society of Equitable Pioneers," at Rochdale, in 1844, may be considered as the commencement of the English co-operative movement. Co-operation had often been tried in various forms; it was, however, for Charles Howarth to put in practical form the method of raising, making, or creating capital on what is known as the Rochdale plan. After satisfying themselves of the soundness of Howarth's plan, twenty-eight workmen agreed with him to form a society and raise capital to commence business. They began by subscribing two-pence a week, and after a time managed to increase the amount to three-pence. In December, 1844, these resolute earnest men had raised £28, and commenced business. They opened their store at eight and closed at ten o'clock on two nights a week. Two of the members attended in turn to weigh out and deliver the goods. No one received payment for services, but did what was required for the general benefit. Their first stock consisted of four articles, butter, sugar, soap and flour. Their rule was that every member should have five pounds invested before he could withdraw his share of profit or his share capital.

The first 28 shareholders raised £28 to start with! The shares were £1 each; their idea was to save the rest of the money to entitle each of them to four more shares; the difference between the price paid for goods at wholesale and the price at which they sold them retail, after paying rent, cost of management, 5 per cent interest on capital, and

other expenses, was placed to the credit of each member in proportion to his purchases; new members joined slowly at first, their scheme was ridiculed and laughed at, their little store in five years had only managed to obtain 149 members; still they made a profit and members increased.

The savings were used to increase their purchases, and in time each member got his five shares, some paying £1 or more towards them in cash, others paying only a few shilling and securing their five shares when their actual savings made up the difference; when the five shares were paid up they could withdraw the amount, £5, or hold five shares; future dividends they could receive quarterly or leave with the society as loan capital bearing 5 per cent interest; not more than £200 could be held for any one member. The art of saving, once acquired, was encouraged by finding that amounts varying from £5 to the full amount, £200 were held by many of the members in addition to shares in their own corn and flour mill, and other manufacturing societies; others were living in model houses, of which there are large numbers in Rochdale and other towns, built and paid for by co-operative savings.

The following table shows the progress of the Society from 1844 to 1879 :—

Year.	Members.	Capital.	Sales.	Profits.
		£	£	£
1844	28	28
1845	74	181	710	22
1846	80	252	1,146	80
1847	110	286	1,924	72
1848	149	387	2,276	117
1849	390	1,193	6,611	561
1850	400	2,299	13,179	889
1851	630	2,785	17,638	990
1852	680	3,471	16,352	1,206
1853	720	5,848	22,780	1,674
1854	800	7,172	33,384	1,768
1855	1,400	11,082	44,902	3,106
1856	1,600	12,920	68,197	3,921
1857	1,850	15,142	79,788	5,470
1858	1,950	18,160	71,689	6,284
1859	2,708	27,060	104,012	10,789
1860	3,450	37,710	152,063	15,906
1861	3,900	42,925	176,206	18,421
1862	3,501	38,465	141,074	17,564
1863	4,013	49,361	153,682	19,671
1864	5,747	62,105	174,987	22,719
1865	5,326	78,778	196,284	25,157
1866	6,246	90,989	240,122	31,981
1867	6,523	128,435	284,919	41,619
1868	6,731	123,233	290,900	37,467
1869	5,809	93,423	236,435	28,542
1870	5,500	80,281	221,021	2,209
1871	6,021	107,500	246,522	29,026
1872	6,444	132,912	265,577	33,040
1873	7,021	160,886	287,212	38,749
1874	7,636	192,814	298,888	41,079
1875	8,415	225,632	305,957	43,213
1876	8,892	254,000	305,190	50,693
1877	51,000
1878	10,137	293,344	298,679	52,694
1879	10,437	288,035	270,072	49,751

The sales of goods advanced in 12 years from:—

Weekly Sales 1844	to	Weekly Sales 1866
Butter.....50 lbs		220 firkins or 15,400 lbs
Sugar.....40 lbs		170 cwt or 19,040 lbs
Flour.....3 sacks		468 sacks
Soap.....50 lbs		2 tons, 13 cwt. or 5,936 lbs

These were the only goods they sold, even tea and coffee were luxuries for a time beyond their means; times were hard and wages low. Subsequently Mr. Holyoake says:—"When sugar was rapidly rising Mr. Ashworth (the manager) ordered 50 tons in three days, and on another occasion he gave an order for 4,000 sacks of flour." The weekly receipts for the first fortnight did not average £10; in 1879 they averaged £5,401 a week; in 1844 they had 28 members and a capital of £28, at the end of 1879 they had 10,427 members, share and loan capital, £301,339; cash sales, £270,072; members withdrew from the society during the year, £105,587, and divided in profits £49,751; besides this profit they paid 5 per cent on their share capital and applied £900 to educational purposes. They had also invested in industrial and joint stock companies £141,076, in buildings and fixtures £54,697.

The following are instances of individual benefits obtained by two members of the Rochdale society: One member had £5 in the society and in eleven years his profits were £125; another, who had £7 invested, had £110 saved for him in seven years. This is what has been done by the workmen of Rochdale, and what every one who reads this may help to do for others.

Many years ago, when the Rochdale stores were doing little more than half their present business, JOHN STUART MILL says ("Principles of Political Economy," page 472):—

"In their wilderness of rooms, the visitor stumbles upon shoemakers and tailors, at work under healthy conditions, and in perfect peace of mind as to the result on Saturday night. Their warehouses are everywhere as bountifully stocked as Noah's Ark, and cheerful customers literally crowd Toad Lane at night, swarming like bees to every counter. The industrial districts of England have not such another sight as the Rochdale Co-operative Store on Saturday night. Since the disgraceful failure of the Rochdale Savings Bank in 1849, the Society's Store has become the virtual Savings Bank of the place."

And again (page 474):

"It is hardly possible to take any but a hopeful view of the prospects of mankind, when in the two leading countries of the world the obscure depths of society contain simple workmen whose integrity, good sense, self-

command, and honorable confidence in one another have enabled them to carry these noble experiments to the triumphant issue which the facts recorded in the preceding pages attest.

"From the progressive advance of the co-operative movement, a great increase may be looked for even in the aggregate productiveness of industry. The sources of the increase are two-fold. In the first place, the class of mere distributors, who are not producers but auxiliaries of production, and whose inordinate numbers, far more than the gains of capitalists, are the cause why so great a portion of the wealth produced does not reach the producers—will be reduced to more modest dimensions. Distributors differ from producers in this, that when producers increase, even though in any given department of industry they may be too numerous, they actually produce more: but the multiplication of distributors does not make more distribution to be done, more wealth to be distributed; it does but divide the same work among a greater number of persons, seldom even cheapening the process. By limiting the distributors to the number really required for making the commodities accessible to the consumers—which is the direct effect of the co-operative system—a vast number of hands will be set free for production, and the capital which feeds and the gains which remunerate them will be applied to feed and remunerate producers. This great economy of the world's resources would be realized, even if co-operation stopped at associations for purchase and consumption, without extending to production."

"Of all the agencies which are at work to elevate those who labour with their hands, and physical condition, in social dignity and in those moral and intellectual qualities on which both the others are ultimately dependent, there is none so promising as the present co-operative movement.

"*Though I foresaw when it was only a project, its great advantages; its success has thus far exceeded my most sanguine expectations, and every year adds strength to my conviction of the salutary influence it is likely to exercise over the destinies of this and other countries.*"

At page 472 he also quotes from Mr. Holyoake's "Self-Help":—

"But it is not the brilliancy of commercial activity in which either writer or reader will take the deepest interest; it is in the new and improved spirit animating this intercourse of trade. Buyer and seller meet as friends; there is no overreaching on one side, and no suspicion on the other. * * * These crowds of humble workmen, who never knew before when they put good food in their mouths, whose every dinner was adulterated, whose shoes let in the water a month too soon, whose waistcoats shone with devil's-dust, and whose wives wore calico that would not wash, now buy in the markets like millionaires, and as far as pureness of food goes, live like lords. Far better, probably, in that particular; for assuredly lords are not the customers least cheated, in the present race of dishonest competition. They are weaving their own stuffs, making their own shoes, sowing their own garments, and grinding their own corn. They buy the purest sugar and the best tea, and grind their own coffee. They slaughter their own cattle, and the finest beasts of the land waddle down the streets of Rochdale for the

consumption of flannel-weavers and cobblers. (Last year the Society advertised for a provision agent to make purchases in Ireland, and to devote his whole time to that duty.) When did competition give poor men these advantages? And will any man say that the moral character of these people is not improved under these influences? *The tectotailors of Rochdale acknowledge that the Store has made more sober men since it commenced than all their efforts have been able to make in the same time.* Husbands who never knew what it was to be out of debt, and poor wives who during forty years never had sixpence uncon- demned in their pockets, now possess little stores of money sufficient to build them cot- tages, and to go every week into their own mar- ket with money jingling in their pockets; and in that market there is no distrust and no de- ception; there is no adulteration and no second prices. The whole atmosphere is honest. Those who serve neither hurry, fineness, nor flatter. *They have no interest in chicanery.* They have but one duty to perform—that of giving fair measure, full weight, and a pure article. In other parts of the town, where competition is the principle of trade, all the preaching in Rochdale cannot produce moral effects like these."

I purpose forwarding you (in conclusion) some particulars respecting the ordinary societys established in London and the Pro- vinces, and remain, Sir,

Yours respectfully,

WILLIAM P. LOCKWOOD,

184 St. James Street,

Montreal, 31st March, 1881.

CO-OPERATIVE SOCIETIES.

TO THE EDITOR OF THE GAZETTE.

SIR,—The Rochdale Pioneers are entitled to the credit of having established the popu- lar form of co-operation in England. When the society was fairly established and its successful operation assured, other associa- tions were formed in all parts of the coun- try; many of them have made rapid progress and do a large business. Since the establish- ment of co-operative wholesale societies, co- operative stores in small as well large towns and villages have been equally successful. Seventy societies selected from those making returns to the Government in 1879 give members 202,490, and have capital £2,581,501; they received for goods sold during the year £8,090,160; they paid 5 per cent. inter- est on their share capital, and in addition in that amongst the members as profit on

the year's business £683,491; they had also invested, in industrial and joint stock com- panies £708,352.

The following list shows the adaptability of the system to town or country:—

	Members.	Sales.	Profits.
		£	£
Manchester Equitable	10,112	208,517	20,501
Leeds	17,174	360,859	37,068
Halifax	6,889	100,365	14,913
Bacup	3,005	19,996	18,937
Barnsley	5,475	153,729	15,251
Oldham Equitable	5,922	141,876	21,937
Oldham Industrial	7,229	261,818	49,950
Munderland	2,151	52,174	5,990
Gateshead	3,449	137,098	17,008
Leven, Vale of	1,310	35,960	4,364
Langholm	338	11,000	1,530
Leith	155	1,974	402
Middlestown	97	5,213	638
Grange Moor	51	2,358	334

Extract from the New York *Daily Tribune*, Nov. 5th, 1880:—Thos. Hughes, Esq., Q.C., on Co-operation—

"I may add as another striking il- lustration of the influence of the movement on the habits of the people as regards fore- thought and thrift, that during the past few years no less a proportion than 60 per cent. of the large profits made by the individual societies have been left in them for re-in- vestment. As an illustration of the method in which the co-operative store works, and the benefits which it confers, almost without effort, in England, upon its members, I may instance the declaration made at the recent Co-operative Congress by Dr. Watts, of Man- chester, one of the oldest and staunchest English co-operators:

"My experience has been," he said, "that our system of co-operation is literally a creation. It makes something out of nothing, without work or effort or sacrifice on the part of members. In 1860 I joined the Manchester Equitable, paying a single pound for my share. In 1870 I wanted money. I had withdrawn no dividend up to that time, but a very small portion of the wants of my family had been supplied from the store, and when I asked what there was to my credit, I was told that there was up- ward of £53, which sum I then withdrew. I asked the same question some days ago (in April, 1878), and then found that there was standing to my credit upward of £30, and so far as I was concerned that was a creation. I had done nothing for it. I have avoided going to meetings at the store, because I was afraid that my words would pass for more than they were worth."

SOCIETIES ESTABLISHED ON THE CIVIL SERVICE PLAN.

The success of societies working on the Rochdale plan induced a few clerks in the London General Post Office to combine and purchase a chest of tea at wholesale and divide it amongst themselves at cost price. The experiment was satisfactory, they gradually extended their purchases and in 1886 formed

THE CIVIL SERVICE SUPPLY ASSOCIATION (LIMITED).

The objects of the society were that all shares should be held and the business be managed by members of the Civil Service, that by the aid of combined or co-operative capital they should buy the best goods at wholesale prices, and after charging sufficient for expenses of distribution and management, sell them to shareholders and members at a small advance for profit; the chief object being to obtain better goods at reduced prices, and by so doing reduce the cost of living, and make their salaries procure for them additional comforts and advantages; their business increased with wonderful rapidity. They sold in

1867.....	£ 21,322
1868.....	83,405
1869.....	218,242
1870.....	345,989
1871.....	492,418
1872.....	625,305
1873.....	712,390
1874.....	819,427
1875.....	896,004
1876.....	953,197
1880.....	about 1,500,000

In 1880 the number of shareholders was 4,424; the number of shares issued, 5,021; the amount paid on each share *ten shillings*. The original shareholders, instead of increasing their share capital, allowed the profits to accumulate until they had a sufficient capital for trade purposes, placing to the credit of each share the amount that would have been payable for dividend. The business was increased by issuing tickets to members, giving them the privilege to purchase at the stores on paying about one dollar a year; the amount reserved for profit is about $1\frac{1}{2}$ per cent on the sales after paying all expenses; although the share capital is small, their assets or accumulated profits are about £370,000.

THE CIVIL SERVICE CO-OPERATIVE SOCIETY.

The *Saturday Review* designates this Society as "*the most eminent of its kind*," and, speaking of its origin, says:—

"Periodicals and pamphlets published in

London had oft told the marvellous story of co-operative profits in the North of England. John Stuart Mill in his 'People's Edition of Political Economy,' had borne powerful testimony to its significance; competition was held to be the parent of all the advantages of the market, but the excesses of tradesmen's bills were felt to be a great price to pay for them, and eminent members of the Civil Service at length agreed to join the revolt against them.

"Ultimately, a board of directors was formed from each of the departments of the Crown.

"It was agreed to commence with a capital of £5,000 in £5 shares. Purchasing members were required to pay a fee of 5s annually for tickets not transferable, giving the power of buying at the store. The new Society was opened in the Haymarket by officials of the higher State Departments, who were joined in their rebellion by members in every branch in the Service—Home, Colonial and Foreign, by Peers, Members of Parliament, Bishops, Judges, Colonial Governors, Foreign Consuls, and other high Government officials, who had never before regarded co-operation otherwise than as the ignorant dream of dangerous visionaries; this Society has its Physicians, Surgeons, Apothecaries, Solicitors, Stockbrokers,—all of whom are well known in London as men of good standing in their several professions; they have about 12,000 members; the annual sales are about £550,000.

The success of two Civil Service Co-operative Societies in London is shown by the following extracts from the *Pall Mall Gazette* July 23rd, 1879:—

"CO-OPERATIVE STORES.

"Mr. Charles J. Cox, one of the Directors of the CIVIL SERVICE CO-OPERATIVE SOCIETY (Limited), in the Haymarket, was examined. He stated, in reply to Mr. Mundella,

"That the original share capital in his Society, for which £2 was paid, was now worth £77 to £100.

"Since 1866 bonuses amounting to £75 had been paid on each of these shares."

"CIVIL SERVICE SUPPLY ASSOCIATION.

"In the last report of this Society it is stated: 'For the year ending December 31st, 1878, £7 8s. 7d. has been placed to the credit of each Shareholder.'

"The amount, including capital and interest, standing to the credit of each Shareholder was £32 3s. 10d. (These shares sell readily for about £35, the original cost being only 10 shillings each.) The net profit for 1878 was:

Half year ending June.....	£17,570 17 7
December.....	14,928 0 0

Total for the year.....£32,498 17 7

THE ARMY AND NAVY CO-OPERATIVE SOCIETY
(LIMITED).

is the best known, and most popular with CANADIAN FAMILIES visiting London. Their sales in 1880 amounted to more than NINE MILLIONS OF DOLLARS; after paying all expenses they retain about *four pence in the pound for profit*, and any increase in profit is met by a reduction in the price of goods. Their share capital is about £60,000 in shares of £1 each; the present price is about £3 15s per share. Their business premises are about to be largely extended.

THE JUNIOR ARMY AND NAVY STORES (LIMITED).

Waterloo Place, London, established in 1879, show by their published returns how rapidly shareholders and the sale of goods increase when business is commenced; in 1880, they obtained new shareholders and members as follows:—January, 562; February, 650; March, 701; April, 788; May, 870. Total for five months, 3,571. *Amount of sales per annum*; at the rate for January, £90,000; February, £110,000; March, £155,000; April, £195,000; May, £250,000 sterling. In December their members had increased to about 14,000.

The £1 shares, in this Company, were issued at 5s, 10s, 15s, and the last issue at 20s per share premium.

These stores fairly represent the civil service plan of business; its merits are fully appreciated.

The members who purchase at the stores are firm supporters of the system, always ready to explain to their friends the advantages they obtain by procuring the finest goods at wholesale or co-operative prices.

I am, sir, yours respectfully,

WILLIAM P. LOCKWOOD.

Albert Buildings, Montreal, }
April 12th, 1881.

THE SHOPPERS' REBELLION.

Shops there will be, and shopmen and shoppers, till the end of time. The relations of these last two have never been wholly happy, and changes have been attempted from time to time, and a still greater and more radical change seems to be in the near future. Neither the purchaser nor the dealer is quite satisfied with the present status, and

it may be worth the while to examine, from the shopper's point of view, a commercial revolution that seems to be impending.

Many years ago, a few ill-paid clerks in the London General Postoffice said among themselves that the ways of the average tea-man were grievous; so every man put his shilling into a fund, and they bought a chest of tea of the wholesale dealer. They met "after hours," and, with honest scales, weighed out pounds of tea. They knew just what they got, and they got it without misrepresentation, adulteration, or teasing solicitation to buy, and, withal, in happy escape from bills and all the woes that from them flow. They hid the tea-chests under the post-office stairs, and sold the tea to each other at just what it cost. So cheering were the cups brewed from that tea that the clerks decided to purchase more; but the authorities tumbled the tea-chest into the street, and forbade such dealings within the sacred walls of Her Majesty's post; so the clerks had no resource but to set up a little store for themselves, which soon became known as the "Post office store." This was one beginning of the shoppers' rebellion.

Far away from London, in the once lovely dale of the Roch, there were certain flannel weavers, who also felt aggrieved with the shopmen. They, too, combined, and put in, with almost heart-breaking stintings and denials, their hard-won pennies, and, amid jeers and insults from their fellows, opened a pitiful little shop in Toad lane, Rochdale. They bought and sold to themselves flour, tea and sugar, and with the money saved staved off the pawn-shop and the work-house. This was the second beginning of the shoppers' rebellion. In point of time it was the first; but this is immaterial now. The fact remains that the Civil Service stores of London and the Equitable Pioneers, and their vast following, have at last joined hands, and the retail business world, both of this country and Great Britain, have to face and solve a great social and commercial question. The shopmen and the co-operators may be trusted to settle their differences between themselves; but the shoppers, the buyers, the great public that supports the stores of every kind, naturally asks in what way it is to be benefited. Shall it welcome the Civil Service store, the co-operator's flour mill and bakery, or take the shopman's advice, and crush the whole scheme before it does any further harm—to the shopman?

Once upon a time a certain noble English

lord wished to buy an envelope, and he entered a stationer's shop and laid down a penny for one. The shop girl gave him the envelope and kept the penny, whereupon his lordship upbraided her and demanded the half-penny change. The time was, but is not now, when the average American would have looked upon such an incident with amused contempt. He has of late grown wiser, and sees that his lordship was right. Extortion is extortion, be it in ha'pence or dollars. Now, when the American goes to London, he besieges the doors of the Civil Service Store in persistent and frantic chase after its wonderful bargains. He, too, has a soul not above ha'pence.

Number 117 Victoria street, Westminster, S.W., looks very much like a club-house. It is, however, a shop—in fact, a huge aggregation of shops, under one palatial roof and one management—that of the Army and Navy Co-operative Society, Victoria street. This is the Bon Marche, the idealized "Macy's," of London, concerning which the American girl writes home, and which she tries by all her arts to enter. Sometimes she succeeds, and obtains the coveted right to trade at the great warehouse. Though young in years, she is a venerable shopper; she has shopped at Wauamaker's, at Stewart's, at Jordan & Marsh's, and at the Bon Marché, and she is under the impression that she cannot be taught much in that direction. The burley lackey who opens the stately doors receives her with dignity, and the wonderful vision opens wide on every side. She had great expectations, but they are here surpassed. Around, on every side, below, above, are shops in bewildering variety. Everywhere she sees an elegantly dressed crowd, intent on bargains. There is a table and writing materials, and thick books of reference. These are the price lists, and she consults the maps of the floors to see where the various departments are located. No lofty-minded floor-walker annoys her with impertinent advice. The rasping voice of the cash-girl is nowhere heard. Nobody asks her to buy. There is one price for all, cash down, and as for bargains—their like is not known in Regent street or Broadway.

This Army and Navy Co-operative Society is now only one of a number of great aggregations of stores in London, and these are only half of one per cent. of the great multitude of co-operative stores in Great Britain. The society consists of several thousand persons, all more or less connected with Her

Majesty's army and navy, and each of these officers, or officers' widows or children, owns one or more one-pound shares in its enormous capital. The aim of this society is simply and wholly to sell to its own members good and fine groceries, teas, furniture, dry goods, and what not, at the lowest possible cost. From the money taken at the counter, rent, wages, working expenses, and interest on capital are paid. If there is a little profit besides, this, too, is divided, but the aim is at all times to sell cheap. If the profits increase the prices are lowered, and thus the seller is literally "barred from gain." Everything is arranged to give the member the bargain. This society is founded upon what is known as the "Civil Service Plan," and its aim is to save the purchaser and member the profits ordinarily taken by the retail dealer. The other co-operative societies, working under what is called the "Rochdale Plan," sell to their members at the regular market rates, and at the end of each quarter return to the purchaser a dividend in cash on the business he brings to the store. It is estimated that one-twentieth of the entire population of England now purchase their daily bread and get their shoes, hats and clothing at the co-operative bakery, flour-mill, and retail store. Half a million people have already joined the shoppers' rebellion, and month by month sees their numbers increase by thousands.

To give an idea of the magnitude of these associations, it may be briefly noticed that their balance sheets can be easily obtained, and all may read of their actual work and financial position. From late reports, it appears the Army and Navy Society sold goods during the half year ending September, 1880, to the value of £939,266 17s., while its total income from all sources was £940,403 1s. 11d., this being an increase of £47,938 over the business of the same period of the year before. The net profits, after paying working expenses, interests on deposits, etc., amounted to £16,766 13s. 5d., this being a net profit on sales of less than fourpence in the pound. The number of shareholders is given in the report at 13,585, life members 4,961, annual subscribers 17,971. The assets of the society in cash, building, stock, etc., were placed at £430,959 11s. 3d.

The Civil Service Co-operative Society, in its fourteenth annual statement, gives its sales at £514,143 14s. 10d. Its membership is put down at about 12,000.

The Civil Service Supply Association, in its half-yearly report of June 30, 1879, gives

the number of members holding shares at 4,374. It issued tickets to subscribers to the number of 28,834. Its sales for the six months reached £706,256 9s 9½d, the net profit for the half year being £8,198 17s 7½d. Its assets are put down at £387,575 4s 4d.

A new society, designed to supply ladies' dress goods and wearing apparel of all kinds, called the Ladies' Dress Association, has made very rapid progress within the past two years, and from its report for August, 1879, claims a membership of 4,411. Its sales in fourteen months reached £93,953 12s 3d, this being an increase of over eighty-three per cent. over the same time a year before. Since that report its business has greatly increased. A society on the same plan is in contemplation in New York, and will, no doubt, soon be ready for business.

Naturally, it is now asked why this rebellion began, who is to blame for it, and what is to be the end of it all? Moreover, it has extended to this country, and seems likely to reach greater dimensions here than abroad. These questions are not British alone—they are international. The British shopman chiefly, and the American retailer in a lesser degree, are alone to blame.

In the first place, there are too many shopmen. This has resulted in a great number of small stocks in many little stores, with the consequent increased rent, insurance, labor, advertising, waste and inconvenience, all of which the dealer must offset by charging higher prices. Secondly, these stores have given credit, which implies book-keeping, the expense of collections, and the loss of bad debts, for all of which the consumer must pay in higher prices. Thirdly, there has been misrepresentation and adulteration, which quite naturally has alienated what little regard the buyer may have had for the dealer. Lastly, the British shopman, if not his cousin, has been unplea-

santly insistent on a purchase, and has had two prices.

The co-operator seeks to remedy all this by massing many stores under one roof, by reducing the labor of distribution, and by insisting on cash payment. Happily, the American dealer has scented the coming conflict from afar, and is trying to forestall the complaints of the shopper. There is an evident disposition to merge many small stores into one, and thus reduce rent, labor, insurance, and to save time and trouble generally. In such bazaars, lower prices are quite possible, as the shopping public has already learned. The one-price system is peculiarly American, and needs no comment. Cash is getting to be the general rule in large cities, and it should be insisted upon everywhere. Why should the buyer, with money in hand, be forced to pay more to compensate the foolish dealer for the faults of a purchaser who can not or will not pay his debts?

It seems to be recognized that the co-operative store, on either the Rochdale plan (which seems to be the best) or the Civil Service system, is destined to get and keep a firm foothold in this country. Once started, it will grow with ten times the speed of its sturdy British predecessor. Only the dishonesty, ignorance and want of method of those who have hitherto attempted such experiments have stood in the way. Now it is understood, and, in new hands, it is plain that it will command the respectful attention of the shopping world. Whether the co-operative stores grow fast or slow, one thing is certain: the retail trade will be greatly modified and greatly improved, both by the force of necessity and example. Whatever happens, the shoppers will gain, and their vigorous rebellion will be of the greatest benefit to all concerned.—*Scribner for April.*

BY-LAWS
OF THE
CANADA CO-OPERATIVE SUPPLY ASSOCIATION,
(LIMITED.)

1. A general meeting of the shareholders shall be held at head-office of the Association, on the second ~~Monday~~ in May in each year, after the year 1881, for the purpose of hearing the report of the Directors for the year ending the 31st day of March, next preceeding the day of such general meeting, for the election of Directors for the next ensuing year, and for all other general purposes relating to the management of the Association. At each such general meeting full statements of the affairs of the Association shall be submitted. Twenty-one days notice of such general meeting shall be given in at least two newspapers published in the city of Montreal, and a printed notice thereof shall be sent to each shareholder. *holding twenty five shares & over*

2. Any shareholder holding not less than twenty-five shares, and not in arrears for payments thereon, shall be eligible to be elected as a Director.

3. A special general meeting of shareholders may be called by the Directors at any time they deem it necessary, and it shall be incumbent on the Directors to call a special general meeting of the shareholders when requested to do so, in writing, by one-fourth part in value of the shareholders of the Company, for the transaction of any business specified in such requisition, notice of which special meeting shall be given in the same manner as for an ordinary general meeting.

4. The number of Directors shall be nine; the quorum requisite for the transaction of business shall be five; the Directors shall meet at such time and place as they shall think fit; two directors may at any time call a meeting of the Directors. In case of a vacancy occurring in the Board, it shall be the duty of the remaining Directors to fill such vacancy forthwith.

5. The President and Vice-President shall be chosen by the Directors from amongst themselves at the first meeting following the annual meeting of shareholders. The President, or, in his absence, the Vice-President, or one of the Directors, shall preside at all meetings of the shareholders or of the Directors, and all votes thereof shall be taken by ballot, when demanded by any shareholder present; but if not so demanded, votes shall be taken in the usual way, by assent or dissent. In case of an equality, the President shall have a casting vote at all meetings, apart from his own vote as a shareholder or Director. Shareholders may vote by proxy (but no such proxy shall be held by other than a shareholder), provided the authority for the purpose be given to another shareholder in proper form, and deposited with the Secretary of the Company at least twenty-four hours previous to the meeting at which such proxy is to be used, and not otherwise, and no paid employee shall be eligible to hold a proxy; such proxy shall be in the following form:—

THE CANADA CO-OPERATIVE SUPPLY ASSOCIATION, LIMITED.

"I, _____ of _____ hereby appoint _____ of _____ a shareholder in the Canada Co-Operative Supply Association, Limited, to represent me by proxy, and to vote and act for me at all meetings of this Company, and in my name to do all things with regard to the business of the Company in my stead that I might legally do if personally present. *was power of attorney*
 "Witness my hand this _____ day of _____ 188 _____"

6. The duty of the President shall be to preside, if present, at all meetings of the Directors, call meetings of the Directors and shareholders, sign records of proceedings, advise with and render such assistance to the Manager and other officers of the Company as may be within his power.

7. In the absence of the President, the Vice-President shall have and exercise all the rights and powers of the President; in the absence of both from a meeting of Directors, one of the Directors shall be appointed to act.

8. The Directors, shall be elected annually.

9. Calls upon the subscribed capital stock of the Company shall be made at such times and in such manner and amount as the Directors may determine.

10. Certificates of stock shall have the seal of the Company, the signature of the Secretary and of the President, or of one of the Directors and the Secretary.

11. The Directors shall have a general power to make rules and regulations for the internal management of the association, to name, appoint and determine the duties and remuneration of the officers of the Association, and the security to be given by them respectively; ~~and the General Manager or Treasurer may be Directors, receiving no remuneration for their services as such in addition to their salaries as General Managers and Treasurer respectively, which shall be fixed and paid as the Directors may determine.~~ The Directors of the Company shall have full power to allot the stock of the said Company, and to issue certificates therefor, in such manner and form or at such times as they, by resolution, may decide.

12. The Directors shall have power to make such payments and allowances, in respect of services and expenses preliminary to the formation of the Company, as in their judgment they may think proper.

13. The Directors shall have power to refuse or grant tickets to proposed members, and the right to cancel ordinary member's tickets at any time, on returning to such member the amount paid on such ticket, or the proportionate amount due for the unexpired term of such ticket; the Directors shall also have the right of regulating the delivery or allowance for carriage of goods to ordinary members.

14. All shareholders shall be members of the Company, entitled to have one vote for every share held by them, as prescribed by the Act, but no shareholder shall vote on any stock on which he or she is in arrear for any call or payment.

15. If any call on any share is not paid on the day appointed for the payment thereof, the Directors may at any time thereafter during such time as the call remains unpaid, serve a notice on the holder of the share for the time being, by mailing the same registered to his address as registered in the register of shares, requiring him to pay the same within fifteen days from the date of said notice, and at a place to be thereby indicated, together with interest and any expenses that may have been incurred by reason of the non-payment. If the requirements of such notice are not complied with, any share in

respect of which it was given may at any time thereafter be forfeited by a resolution of the Directors to that effect, and shall be cancelled, held unextinguished, re-issued or disposed of in such manner as the Directors think fit, and the proceeds thereof, if sold, be deemed the property of the Company. Any member whose shares have been forfeited shall, notwithstanding, be liable to pay to the Company all calls due on such shares at the time of the forfeiture, and the interest (if any) thereon.

16. That it shall be the duty of the Directors to cause an inventory of stock to be taken, at least, twice in each year.

17. The appointment and remuneration of the first auditor shall be fixed by the Directors, subsequent auditors shall be appointed annually by the shareholders, and his duty shall be to examine and audit the books and accounts of the Company, and prepare a balance sheet and abstracts of the Company's affairs, and such semi-annual balance sheet and abstracts shall appear on the books and be opened for the perusal of any stockholder upon request at least seven days before the general meeting of the Company. *and prepare a copy to be considered by the*

18. All goods shall be sold for cash, and no servant or employee of the Company shall deliver any goods until paid for.

19. Transfers of stock shall be made on the books of the Company in the presence of the Secretary, Treasurer or other authorized officer of the Company, either by the holder in person or by attorney, and ~~that~~ no stock shall be transferred until all calls thereon shall have been duly paid.

20. Powers of attorney for the transfer, purchase or sale of stock, or the receipt of dividends, &c., shall be in the following form:—

(FORM OF POWER OF ATTORNEY.)

Know all men by these presents, that I, _____ of _____ do make, constitute and appoint _____ my true and lawful Attorney for me, and in my name and on my behalf, to purchase and receive, or sell, assign and transfer all or any part, interest or share, of the capital stock of the Canada Co-operative Supply Association (Limited), to me belonging, or standing in my name, to receive the consideration therefor, and give receipt or receipts for the same; to accept all transfers that now or hereafter may be made unto me; to receive and give receipts for dividends that now are or shall hereafter become due to me from time to time; and, generally, to do all lawful acts requisite for effecting the premises, hereby ratifying and confirming all that my said Attorney shall do herein.

In witness whereof, I have hereunto set my hand and seal, at
this _____ day of _____ 188 _____

Signed and sealed in the presence of _____

21. The seal ~~hereto affixed shall be the seal of the Company.~~ Whenever used it shall require the authentication of the Secretary and President or one of the Directors, or of two of the Directors in the absence of the Secretary.

22. The Directors shall be entitled to set apart and receive for their remuneration in every year such sum as shall be from time to time determined by any general meeting, and such sum shall be divided among the Directors in such manner as they from time to time shall determine, ~~subject to the restriction contained in clause No. 11.~~

23. The Treasurer shall have the custody of the funds of the Association until the same shall be divided or appropriated by the Directors. He shall make his deposits in such bank, banks or other places of security as the Directors shall appoint, and his bank account shall be kept in the name of the Company, and all cheques be signed by him as Treasurer and countersigned by the President or one of the Directors; in the absence of the Treasurer, cheques may be signed by the President and one other Director or by two Directors, or in such other manner as the Directors may from time to time appoint. The Treasurer shall sign receipts for all moneys which may come into his hands; he shall keep proper books of account for the business of the Company, and shall render a full and particular statement of his cash account, accompanied with vouchers, when required to do so by the Directors.

24. Every account and balance sheet, when approved by an ordinary general meeting, shall be conclusive, unless any error be discovered; after discovery of such error, the next ordinary general meeting, shall have the power to correct such balance sheet or account, which shall thenceforth be conclusive.

ALBERT BUILDINGS,

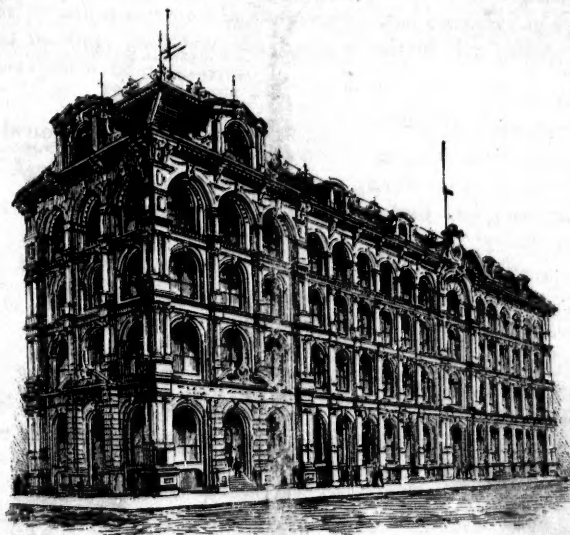
MONTREAL, April, 1881.

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(LIMITED.)



ALBERT BUILDINGS, MONTREAL.